

FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY II
FINANCIAL FORESTRY TRUST BOSQUES DEL URUGUAY II

***CONDENSED INTERIM FINANCIAL STATEMENTS FOR
THE THREE-MONTH PERIOD ENDED MARCH 31, 2025,
TOGETHER WITH THE COMPILATION REPORT***

NOTICE: This is a translation of the original Spanish version. It has been translated by a third party for informational purposes only. In the event of any discrepancy, the Spanish version, as prepared by the auditor, shall prevail.

**FINANCIAL FORESTRY TRUST FIDEICOMISO FINANCIERO FORESTAL
BOSQUES DEL URUGUAY II
CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED
MARCH 31, 2025**

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Abbreviations:

UYU – Uruguayan peso

USD – U.S. Dollar

COMPILATION REPORT

To the Board of Directors of

EF ASSET MANAGEMENT, ADMINISTRADORA DE FONDOS DE INVERSIÓN S.A.,

We have compiled the condensed interim statement of financial position of the Financial Forestry Trust *Fideicomiso Financiero Forestal Bosques del Uruguay II* as of March 31, 2025, and the related condensed interim statements of comprehensive income, changes in equity and cash flows for the three-month period then ended, together with the accompanying explanatory notes. These condensed interim financial statements present the information provided by the Management of the Company, responsible for the accuracy of the data contained therein and its submission in accordance with the applicable accounting standards in Uruguay.

This review was conducted in accordance with the International Standard Related Services No. 4410, as set forth by Pronouncement No.18 of the Association of Accountants, Economists and Business Administrators of Uruguay. This compilation was limited to presenting Management's assertions regarding the financial position and performance of the Trust in the form of condensed interim financial statements.

We have not performed an audit in accordance with International Standards on Auditing, nor a review of the condensed interim financial statements, and therefore we do not express an opinion or any other form of assurance thereon.

I hereby state that I am the Executive Director of EF ASSET MANAGEMENT ADMINISTRADORA DE FONDOS DE INVERSIÓN S.A.

Montevideo, April 29, 2025.



CPA FERRERE

[Signature:] LEONARDO ISOARDI

Partner

Certified Public Accountant

Retirement and Pension Fund for University Professionals No. 78,795

[Evidence of payment of Retirement and Pension Fund for University Professionals fee]



FINANCIAL FORESTRY TRUST FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY II

Condensed Interim Statement of Financial Position as of March 31, 2025

(in U.S. dollars and Uruguayan pesos)

		USD		Equivalent in UYU	
	Notes	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Assets					
Non-current assets					
Property, plant and equipment	5	55,571,920	55,656,196	2,341,078,278	2,452,545,940
Biological assets- plantations	4	70,589,474	70,315,399	2,973,722,775	3,098,518,370
Total non-current assets		126,161,394	125,971,595	5,314,801,053	5,551,064,310
Current assets					
Inventories	3.1	532,033	667,603	22,412,944	29,418,588
Trade receivables and other accounts receivable	3.2	278,899	37,587	11,749,186	1,656,329
Other non-financial assets	3.3	648,139	462,417	27,304,150	20,376,869
Cash and cash equivalent	3.4	590,192	858,701	24,863,023	37,839,534
Total current assets		2,049,263	2,026,308	86,329,303	89,291,320
Total assets		128,210,657	127,997,903	5,401,130,356	5,640,355,630
Equity					
Participation certificates	7	70,000,000	70,000,000	1,988,715,600	1,988,715,600
Revaluation reserve	7	14,040,380	14,040,380	607,636,355	607,636,355
Foreign currency translation reserve	7	-	-	1,047,308,125	1,286,603,112
Retained earnings		39,169,133	39,416,251	1,546,787,083	1,557,284,845
Total equity		123,209,513	123,456,631	5,190,447,163	5,440,239,912
Liabilities					
Non-current liabilities					
Deferred tax liabilities	2.15	3,380,758	3,231,998	142,421,205	142,421,205
Total non-current liabilities		3,380,758	3,231,998	142,421,205	142,421,205
Current liabilities					
Trade payables and other accounts payable	3.5	1,015,481	708,538	42,779,138	31,222,466
Loans and borrowings	3.6	604,905	600,736	25,482,850	26,472,047
Total current liabilities		1,620,386	1,309,274	68,261,988	57,694,513
Total liabilities		5,001,144	4,541,272	210,683,193	200,115,718
Total liabilities and equity		128,210,657	127,997,903	5,401,130,356	5,640,355,630

The accompanying Notes are an integral part of these condensed interim financial statements.

FINANCIAL FORESTRY TRUST FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY II

Condensed Interim Statement of Comprehensive Income

For the three-month period ended March 31, 2025

(in U.S. dollars and Uruguayan pesos)

	Notes	USD		Equivalent in UYU	
		03/31/2025	03/31/2024	03/31/2025	03/31/2024
Operating revenue	3.7	1,709,742	2,021,683	73,152,152	78,226,703
Cost of goods sold		(1,200,228)	(1,453,513)	(51,261,205)	(56,333,875)
Gross margin		509,514	568,170	21,890,947	21,892,828
Administrative and selling expenses	3.8	(606,436)	(651,133)	(25,920,119)	(25,187,409)
Financial results	3.9	(150,196)	(131,672)	(6,468,590)	(5,047,948)
Profit (loss) for the period before income tax		(247,118)	(214,635)	(10,497,762)	(8,342,529)
Profit (loss) for the period		(247,118)	(214,635)	(10,497,762)	(8,342,529)
Items that may be subsequently reclassified to profit (loss)					
Foreign currency translation reserve	2.2	-	-	(239,294,987)	(188,117,019)
Comprehensive income for the period		(247,118)	(214,635)	(249,792,749)	(196,459,548)

The accompanying Notes are an integral part of these condensed interim financial statements.

FINANCIAL FORESTRY TRUST FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY II

Condensed Interim Statement of Cash Flows

For the three-month period ended March 31, 2025

(in U.S. dollars and Uruguayan pesos)

	USD		Equivalent in UYU	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Cash flow from operating activities				
Profit (loss) for the period before income tax	(247,118)	(214,635)	(10,497,762)	(8,342,529)
Adjustments:				
Depreciations	84,276	83,727	3,591,228	3,233,332
Accrued but unpaid interest	4,905	10,846	206,651	407,306
	(157,937)	(120,062)	(6,699,883)	(4,701,891)
Changes in assets and liabilities				
Trade receivable and other accounts receivables	(241,312)	(285,372)	(10,399,703)	(10,926,038)
Inventories	135,570	265,957	5,842,593	10,182,696
Other non-financial assets	(185,722)	(134,166)	(8,003,968)	(5,136,814)
Trade payable and other accounts payables	455,703	217,323	19,639,204	8,320,646
Translation adjustment	-	-	(1,769,416)	(1,757,045)
Net cash flows (used in)/from operating activities	6,302	(56,320)	(1,391,173)	(4,018,447)
Cash flows from investing activities				
Costs incurred in biological assets	(274,075)	(394,679)	(11,611,776)	(15,209,672)
Net cash flows used in investing activities	(274,075)	(394,679)	(11,611,776)	(15,209,672)
Cash flows from financing activities				
Loan proceeds	3,130	606,082	136,089	23,497,672
Loan repayments	(3,866)	(22,179)	(168,216)	(867,246)
Net cash (used in) / from financing activities	(736)	583,903	(32,127)	22,630,426
Net change in cash and cash equivalents	(268,509)	132,904	(13,035,076)	3,402,307
Cash and cash equivalents at the beginning of the period	858,701	1,042,819	37,839,534	40,692,889
Effect of foreign currency translation on cash and equivalents	-	-	58,565	55,570
Cash and cash equivalents at the end of the period	590,192	1,175,723	24,863,023	44,150,766

The accompanying Notes are an integral part of these condensed interim financial statements.

FINANCIAL FORESTRY TRUST FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY II

Condensed Interim Statement of Changes in Equity

For the three-month period ended March 31, 2025

(in U.S dollars)

	Notes	PARTICIPATION CERTIFICATES	VALUATION RESERVE	RETAINED EARNINGS	TOTAL EQUITY
As of December 31, 2023		70,000,000	10,265,092	47,897,921	128,163,013
Profit (loss) for the period		-	-	(214,635)	(214,635)
As of March 31, 2024	7	70,000,000	10,265,092	47,683,286	127,948,378
Revaluation of property, plant and equipment, net of deferred tax		-	3,775,288	-	3,775,288
Profit (loss) for the period		-	-	(8,267,035)	(8,267,035)
As of December 31, 2024	7	70,000,000	14,040,380	39,416,251	123,456,631
Profit (loss) for the period		-	-	(247,118)	(247,118)
As of March 31, 2025	7	70,000,000	14,040,380	39,169,133	123,209,513

Condensed Interim Statement of Changes in Equity

For the three-month period ended March 31, 2025

(in Uruguayan pesos)

	Notes	PARTICIPATION CERTIFICATES	VALUATION RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL EQUITY
As of December 31, 2023		1,988,715,600	441,274,503	640,428,230	1,930,758,736	5,001,177,069
Foreign currency translation reserve		-	-	(188,117,019)	-	(188,117,019)
Profit (loss) for the period		-	-	-	(8,342,529)	(8,342,529)
As of March 31, 2024	7	1,988,715,600	441,274,503	452,311,211	1,922,416,207	4,804,717,521
Revaluation of property, plant and equipment, net of deferred tax		-	166,361,852	-	-	166,361,852
Foreign currency translation reserve		-	-	834,291,901	-	834,291,901
Profit (loss) for the period		-	-	-	(365,131,362)	(365,131,362)
As of December 31, 2024	7	1,988,715,600	607,636,355	1,286,603,112	1,557,284,845	5,440,239,912
Foreign currency translation reserve		-	-	(239,294,987)	-	(239,294,987)
Profit (loss) for the period		-	-	-	(10,497,762)	(10,497,762)
As of March 31, 2025	7	1,988,715,600	607,636,355	1,047,308,125	1,546,787,083	5,190,447,163

The accompanying Notes are an integral part of these condensed interim financial statements.

FINANCIAL FORESTRY TRUST FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY II

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025

NOTE 1 - BASIC INFORMATION ABOUT THE FINANCIAL FORESTRY TRUST FIDEICOMISO FORESTAL BOSQUES DEL URUGUAY II

In the city of Montevideo, on August 14, 2014, the Trust Agreement was made and entered into by and between EF ASSET MANAGEMENT, *Administradora de Fondos de Inversión S.A.*, acting as Trustee, Agroempresa Forestal S.A., acting as Manager, and the Initial Subscribers of the Securities, acting as Trustors, for the purpose of establishing the Financial Forestry Trust *Fideicomiso Financiero Forestal Bosques del Uruguay II*.

On December 5, 2014, the Central Bank of Uruguay [BCU, for its acronym in Spanish] authorized the registration of the Trust in the Securities Market Registry (Communication No. 2014/208).

The capital of the Trust was contributed by the Trustors, acting as the Initial Subscribers of the Securities, under the terms and conditions set forth in the Agreement. The capital is to be used to fulfil the purposes established therein.

The Trustee invested the funds obtained from the placement of the Securities (Participation Certificates) in the acquisition and/or lease of rural Properties located within the Eastern Republic of Uruguay. These properties have become part of the Trust's assets and will be used for forestry activities.

The Business Plan outlines the framework within which the Trust's strategy is developed to fulfil its purposes, specifying the general requirements that the Properties must meet.

The Trustee shall appoint the Manager pursuant to the terms of the Management Agreement. The Manager will be responsible for managing the Trust Assets and executing the Business Plan, as set forth in the Trust and the Management Agreement. Notwithstanding the foregoing, the Trustee remains responsible for the Manager's performance in relation to the tasks subcontracted by the Manager.

The Trust shall not invest its funds that are not authorized for Pension Savings Funds.

The Trust's equity consists of its Assets and all present and future economic rights derived therefrom. The Trust's equity shall be used solely and exclusively for its intended purposes, and only those rights and actions directly related to these assets may be exercised in connection therewith.

In accordance with the provisions of the Trust Agreement, forest plantations and land shall be appraised as of December 31 each year.

On January 19, 2015 (the Subscription Closing Date), book-entry Participation Certificates in the amount of seventy million U.S. dollars (USD 70,000,000), to be issued by the Trustee on behalf of the Forest Financial Trust *Fideicomiso Financiero Forestal Bosques del Uruguay II*, were placed on the *Bolsa Electrónica de Valores del Uruguay S.A.* (BEVSA).

Participation Certificates grant Holders right to participate in the Trust's results, pursuant to the terms and conditions outlined in the Trust Agreement.

The Trust shall remain in full force for a maximum of thirty (30) years, or until all its assets have been liquidated and all obligations have been settled.

In accordance with Article 330 of the Central Bank of Uruguay's Compilation of Securities Market Standards, the Trust's accounting and fiscal year ends on December 31 of each year. The statement of comprehensive

income, the statement of changes in equity, and the statement of cash flows are presented for the three-month period ended March 31, 2025.

These condensed interim financial statements were authorized for issuance by EF Asset Management Administradora de Fondos de Inversión S.A., Trustee of the Trust, on April 29, 2025.

NOTE 2 - BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting Standards Applied

These condensed interim financial statements have been prepared in accordance with Decree 124/11. This Decree, issued by the Executive Branch on April 1, 2011, establishes that the International Financial Reporting Standards (IFRS), adopted by the International Accounting Standards Board (IASB) and translated into Spanish, are the mandatory accounting standards applicable to issuers of publicly offered securities.

These condensed interim financial statements do not include all the information required by International Financial Reporting Standards (IFRS) for a complete set of financial statements, as they correspond to the condensed format set forth in International Accounting Standard (IAS) No. 34 – *Interim Financial Reporting*. Accordingly, they should be read in conjunction with the Trust’s financial statements for the year ended December 31, 2024, which were prepared in accordance with IFRS.

Decree 108/22 dated April 4, 2022, offers entities covered by Decree 124/11 the option to apply new presentation criteria for equity items introduced by that decree. The Trust has not opted to apply these presentation criteria.

2.1.1 New Standards, Interpretations, and Mandatorily Effective in the Current Fiscal Year

The accounting policies applied by the Trust for the preparation and presentation of these financial statements are consistent with those applied in its financial statements as of December 31, 2024, except for the adoption of new standards effective as of January 1, 2025. The Trust has not early adopted any other standards, interpretations, or amendments that have been issued but are not yet effective.

The new and revised standards issued by the IASB, effective for annual periods beginning on January 1, 2025, are as follows:

- Amendment to IAS 21 – Lack of Exchangeability

The application of these new standards does not have a significant impact on the Trust’s financial statements.

2.1.2 New and Revised Standards, Interpretations and Amendments Published Whose Application Is Not Yet Mandatory

As of the date of approval of these financial statements, the standards and interpretations issued by the IASB that are not yet effective for annual periods beginning on or after January 1, 2025, and that have not been early adopted by the Trust are as follows:

- Amendment to IFRS 18 – Presentation and Disclosures in Financial Statements (2)
- Amendment to IFRS 19 – Subsidiaries without Public Accountability: Disclosures (2)
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (1)

(1) Effective for periods beginning on or after January 1, 2026.

(2) Effective for periods beginning on or after January 1, 2027.

Management expects that the application of these amendments will not have a significant impact on the financial statements.

The principal accounting policies applied are set out below.

2.2 Functional Currency and Criteria Used for the Translation of Financial Statements into Uruguayan Pesos

IAS 21 establishes that the functional currency shall provide useful information about the Trust and reflect the economic substance of the events and circumstances relevant to it. If a certain currency is extensively used by the Trust or has a significant impact on its operations, it may be deemed appropriate as the functional currency. A currency may be deemed functional according to the standard when:

- Purchases are financed in that currency.
- Trade receivables are collected in that currency.
- Prices of goods or services sold are denominated in that currency.
- The cost of goods sold, or services rendered is denominated in that currency.

The Trust has determined the U.S. dollar to be its functional currency, as the majority of its income and expenses are denominated in that currency.

To comply with applicable legal and tax requirements, the Trust presents its financial statements in Uruguayan pesos.

In accordance with the relevant regulations, the translation of the Trust's financial statements from the functional currency into the presentation currency shall be carried out as follows:

- Assets and liabilities are translated at the closing exchange rate.
- Income and expenses are translated at the exchange rates prevailing on the date of the respective transaction.
- Equity items, other than profit or loss for the period, are translated at the closing exchange rate.
- Translation differences are recognized directly in equity, without having an impact on the profit or loss for the period.

Equity components have been restated as follows: (1) capital is presented at historical value in Uruguayan pesos, with the difference between that value and the amount resulting from applying the general translation method recorded as an equity adjustment; (2) retained earnings correspond to accumulated results since the inception of the Trust, originally expressed in U.S. dollars and translated in accordance with the general foreign currency translation method.

The difference arising from the use of the closing exchange rate translation of assets, liabilities, and equity, and the use of the exchange rate on the date of each transaction for income and expenses, is recorded directly in equity under "Equity Adjustments," and in the statement of comprehensive income under "Foreign Currency Translation Reserve."

2.3 Balances in Currencies Other Than the Functional Currency

Assets and liabilities denominated in currencies other than the functional currency are measured at the closing exchange rate at the end of the reporting period. Exchange differences are recognized in profit or loss. Balances of assets and liabilities denominated in foreign currencies at the end of the period are summarized in Note 6.

2.4 General Valuation Criteria for Assets and Liabilities

Assets and liabilities (except for biological assets, and property, plant, and equipment) have been measured based on the cost initially incurred or the commitment undertaken, as applicable, and subsequently measured at amortized cost. In all cases, these amounts have been adjusted as described in the preceding section.

2.5 Cash and Cash Equivalents

Cash and cash equivalents include checking accounts and demand deposits held with financial institutions.

2.6 Financial Assets and Liabilities

Financial assets and liabilities are measured at amortized cost.

The Trust holds bank loans with local financial institutions.

2.7 Trade Receivables and Other Accounts Receivable

Trade receivables and other accounts receivable are presented at amortized cost using the effective interest method. The Trustee's Management has not recognized an allowance for doubtful accounts, based on the expected credit loss model, considering the probability of default and the expected recoverable amount under such scenario. It is Management's view that applying this model would not have a material impact on the Trust's financial statements.

2.8 Other Non-Financial Assets

Non-financial assets are presented at their nominal value and primarily consist of tax credits.

2.9 Biological Assets – Plantations

The forest plantations are presented in the statement of financial position at their fair value as of December 31, 2024, and the costs incurred in the establishment of the forests between that date and March 31, 2025.

The Trust determines the value of its forest plantations annually, according to an appraisal conducted by independent forestry consultants. The fair value of plantations was estimated by an independent expert using discounted cash flow techniques, primarily applying an income (or expectation) approach.

Based on this methodology, the external appraiser determined that the fair value of the biological assets as of December 31, 2024, amounted to USD 70,315,399, equivalent to UYU 3,098,518,370.

To this end, the following factors have been essentially considered:

- Estimated representative prices for the projected period.
- Annual variable and fixed costs associated with forestry production.
- A discount rate of 7.5%, estimated based on a capital asset pricing model (CAPM).

Changes in fair value measurement (resulting from a combination of biological growth, price changes, costs and expenses) are recognized in the statement of comprehensive income.

Biological assets are recognized and measured at fair value separately from land.

Fair value was primarily determined using Level 3 inputs of the fair value hierarchy. The most significant input used was the price of comparable assets.

2.10 Inventories

Inventories are measured at acquisition cost.

This cost is determined using the FIFO (First-In, First-Out) method for the allocation of inventory outflows.

The Trust estimates that the carrying amounts of inventories do not exceed their net realizable value.

2.11 Property, Plant and Equipment

The composition and movement of property, plant and equipment balances for the three-month period ended March 31, 2025, are presented in Note 5 to these financial statements.

In accordance with the terms of the agreement, the land was appraised by an independent expert as of December 31, 2024. The carrying amount of land at that date was adjusted to the values determined in the appraisal report, which amounted to USD 50,085,062, equivalent to UYU 2,207,048,342.

The fair value was determined primarily using Level 3 inputs of the fair value hierarchy.

These amounts were translated into Uruguayan pesos as described in Note 2.2.

Expenditures incurred after the acquisition of an item of property, plant and equipment are included in the asset's carrying amount when it is probable that additional future economic benefits, beyond those originally assessed, will flow to the Trust.

Management considers that the net carrying amount of the assets does not exceed their value in use and that no impairment losses have been recognized on property, plant and equipment.

Depreciation for the period has been charged to administrative and selling expenses.

2.12 Accrual Basis and Revenue Recognition

Revenue is recognized when earned and expenses when incurred, regardless of when they are collected or paid. Revenue is generally recognized when it is probable that future economic benefits will flow to the Trust as a result of transactions carried out by the Trust.

Revenue from the sales of goods and the rendering of services is recognized when the significant risks and rewards of ownership have been transferred to the buyer, or when services have been rendered, and the amount of revenue can be measured reliably.

Income and expenses included in the condensed interim statement of comprehensive income are presented at the amounts originally received or disbursed for the related goods or services.

Administrative and selling expenses, financial results, and other items have been accounted for on an accrual basis.

2.13 Capital Concept Applied

Profit for the period has been determined as the difference between the value of equity as of March 31, 2025, and the capital amount required to be maintained. The concept of capital applied is that of financial capital.

2.14 Statement of Cash Flows

For the preparation of the statement of cash flows, cash and cash equivalents have been defined as cash on hand and short-term investments with original maturities of three months or less from the acquisition date. The statement of cash flows has been prepared using the indirect method.

Item	USD		Equivalent in UYU	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Treasury bills	499,146	-	21,027,516	-
Banks	91,046	1,175,723	3,835,507	44,150,766
	590,192	1,175,723	24,863,023	44,150,766

2.15 Taxes, Current Income Tax and Deferred Tax

The Trust is subject to Value Added Tax (VAT), Corporate Income Tax [IRAE, for its acronym in Spanish] and Wealth Tax. It is also a withholding agent for Personal Income Tax [IRPF, for its acronym in Spanish].

The Trust is liable for IRAE on all income sourced in Uruguay, unless such income qualifies for exemptions granted under Law No. 15,939, which promotes the forestry sector.

The Trust is also subject to Wealth Tax. However, forest plantations located in areas declared as priority forestry zones, as well as the land allocated to such plantations, are exempt from this tax.

In 2013, Law No. 19,088 amended the exemption regime applicable to the agricultural sector and introduced a surcharge for applicable taxpayers. Decree No. 293/013, which regulates the aforementioned Law, extended the Wealth Tax exemption to trusts, mirroring the benefit already granted to certain publicly listed companies. This exemption is applicable for five fiscal years from the subscription of the Trust. Accordingly, for the period ended March 31, 2025, the Trust is not eligible for the Wealth Tax and surcharge exemption.

The sale of agricultural products in their natural state is subject to the VAT suspension regime. Sales of debarked logs and harvesting of forest stands planted by the Trust or acquired as standing timber are considered sales of agricultural products in their natural state. As a result, VAT remains suspended, allowing for the recovery of VAT paid on acquisitions that form part of the cost. Grazing income is exempt from VAT, and therefore, a portion of input VAT on indirect purchases cannot be recovered, as it is associated with this type of income.

The Trust is also liable for the Rural Real Estate Tax on land acquired for productive use. However, in accordance with Law No. 18,245, land allocated to forest plantations under Quality Timber projects, as defined by the Ministry of Livestock, Agriculture, and Fisheries, is exempt from this tax.

In addition, the Trust recognizes income tax using the deferred tax method, which involves recognizing, as an asset or a liability, the tax effect of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and their tax bases. These are measured at the applicable rate of 25% and subsequently recognized in profit or loss in the periods in which such differences reverse.

2.16 Provisions

Provisions are recognized when the Trust has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount.

2.17 Financial Instruments

The main financial instruments of the Trust are bank deposits.

The main purpose of holding liquid assets is to ensure the availability of cash and cash equivalents to meet the Trust's operational requirements. The Trust has not entered into any derivative financial instruments during the fiscal year.

2.18 Estimates and Assumptions in the Application of Accounting Policies

The preparation of financial statements requires the Trustee to make estimates and assumptions that affect the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The key accounting policies, estimates and assumptions used in determining the carrying amounts of assets and liabilities include the following:

(a) Impairment of Non-Financial Assets

At each annual reporting date, the Trust reviews the carrying amounts of its property, plant and equipment: Land, to assess whether there is any indication of impairment. If such an indication exists, the recoverable amount of the assets is estimated to determine whether an impairment loss should be recognized.

(b) Fair Value of Property, Plant and Equipment, and Biological Assets

The Trust hires independent expert appraisers annually to determine the fair value of land (see Note 2.11) and biological assets (see Note 2.9).

The methods used to determine fair value require to make estimates and assumptions based on objective information and business knowledge. These estimates are highly sensitive, and any variation in them may result in a significant change in the fair values of biological assets recognized in the financial statements. Therefore, estimates are periodically reviewed, and adjusted accordingly, if necessary.

(c) Income Tax

The Trust recognizes the effects of deferred tax based on estimates and assumptions depending on how its assets will be realized and its liabilities settled. Changes in these estimates and assumptions could significantly affect the balances of deferred tax assets and liabilities recognized in the period in which such changes occur. Deferred tax assets and liabilities are not discounted.

Deferred tax assets are reviewed at each reporting date and are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. Additionally, in determining the portion of deferred tax assets to be recognized in the statement of financial position, the existence of future taxable temporary differences that can be used to offset deductible temporary differences must also be considered. For this purpose, the Trustee considers the expected reversal of temporary differences, projected future taxable profits, and available tax planning opportunities (see Note 2.15).

2.19 Fair Value of Land and Forests

At the end of each reporting period, the Trust hires an external appraiser to determine the fair value of its land and forest plantations.

Key Assumptions Used in the Impairment Test

For the purpose of conducting the impairment test, Management hires an independent appraiser who estimates the future cash flows over the remaining life of the Trust.

The determination of the recoverable amount involves complex estimates requiring the application of assumptions and the expert's professional judgment, including the following:

(a) Wood Flows

Projected wood flows are developed through a five-step process:

- Stratification of forest plantations
- Validation of growth and yield tables
- Design of harvesting scenarios

- Scheduling of wood supply
- Wood flow planning

(b) Land Sales Flow

In line with variations of the income approach, the valuation considered land sales projections in the following scenarios:

- Year of disinvestment
- Year zero cash flow

(c) Operating and Management Costs

Forestry Costs: Direct expenditures incurred to establish and manage the forest until it is ready for final harvest.

General and administrative expenses: Costs incurred for activities such as management, office maintenance, forest inventory, certification, vehicles, road infrastructure, forest protection, security, and communications.

(d) Wood Prices

These are the prices of wood by assortment class, based on prices at the sawmill gate, net of the company's average transportation and harvesting costs.

(e) Land Prices and Cost

This corresponds to the weighted average potential market price of the land.

(f) Determining the Discount Rate

The discount rate represents the cost of capital of the resources (debt and equity) used to finance net operating assets. It is determined as the weighted average cost of such sources of financing, based on their relative share in the capital structure of the sector in which the Trust operates.

The Weighted Average Cost of Capital (WACC) reflects a blended cost of debt and equity. The cash flows used in the discounted cash flow (DCF) model represent the free cash flow available to both debt and equity holders. Therefore, the free cash flow is discounted to present value using the WACC.

(g) Sensitivity Analysis

The Trust has conducted a sensitivity analysis to assess whether changes in key assumptions—such as the discount rate, wood prices, forestry and overhead costs, and land sale prices—could result in a material impairment loss in the financial statements. The sensitivity analysis did not identify any significant impairment losses.

2.20 Consistency of Accounting Principles

The criteria applied in the valuation of assets and liabilities, as well as to determine the profit or loss for the three-month period ended March 31, 2025, are consistent with those applied for the fiscal year ended December 31, 2024.

NOTE 3 - BREAKDOWN OF ITEMS

3.1 Inventories

<i>Item</i>	USD		Equivalent in UYU	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Wood	407,404	581,818	17,162,721	25,638,421
Adjuvants	5,722	3,897	241,070	171,742
Herbicide	64,914	35,116	2,734,640	1,547,427
Fertilizer	20,902	8,787	880,518	387,187
Ant killer	2,363	7,257	99,538	319,774
Seedlings	6,009	6,009	253,123	264,773
Seeds	24,719	24,719	1,041,334	1,089,264
	532,033	667,603	22,412,944	29,418,588

3.2 Trade Receivables and Other Accounts Receivable

<i>Item</i>	USD		Equivalent in UYU	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Trade receivables	249,455	10,062	10,508,789	443,404
Grazing receivables	28,935	27,525	1,218,953	1,212,925
Receivables from beekeeping activities	509	-	21,444	-
	278,899	37,587	11,749,186	1,656,329

3.3 Other Non-Financial Assets

<i>Item</i>	USD		Equivalent in UYU	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Tax credits	646,253	462,168	27,224,685	20,365,897
Advances to suppliers	1,797	249	75,704	10,972
	648,139	462,417	27,304,150	20,376,869

3.4 Cash and Cash Equivalents

<i>Item</i>	USD		Equivalent in UYU	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Treasury bill	499,146	648,566	21,027,516	28,579,742
Banks	91,046	210,135	3,835,507	9,259,792
	590,192	858,701	24,863,023	37,839,534

3.5 Trade Payables and Other Accounts Payable

<i>Item</i>	USD		Equivalent in UYU	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Trade payables	655,409	375,421	27,610,345	16,543,329
Tax payables	267,367	236,322	11,263,385	10,413,764
Advances from customers	54,941	39,339	2,314,503	1,733,521
Provisions	4,526	24,478	190,685	1,078,640
Other payables	33,238	32,978	1,400,220	1,453,212
	1,015,481	708,538	42,779,138	31,222,466

3.6 Loans and Borrowings

<i>Item</i>	USD		Equivalent in UYU	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Bank loan	604,905	600,736	25,482,850	26,472,047
	604,905	600,736	25,482,850	26,472,047

As of March 31, 2025, the balance corresponds to the renewal of a note originally outstanding in December 2024. Such renewal was executed as a fixed-term deposit in U.S. dollars with a local bank in February 2025, for a principal amount of USD 600,000, equivalent to UYU 25,276,200, maturing in 180 days.

Accrued and unpaid interest as of period-end amounted to USD 4,905, equivalent to UYU 206,651.

The balance as of December 31, 2024, includes a fixed-term deposit in U.S. dollars entered into with a local bank in August 2024, for a principal amount of USD 800,000, equivalent to UYU 32,228,000, maturing in 180 days. The deposit was partially repaid in December in the amount of USD 200,000. Therefore, the outstanding principal as of December 31, 2024, amounts to USD 600,000, equivalent to UYU 26,439,600.

Accrued and unpaid interest as of year-end 2024 amounted to USD 736, equivalent to UYU 32,448.

3.7 Operating Revenues

<i>Item</i>	USD		Equivalent in UYU	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Revenue from wood sales	1,659,113	1,982,117	70,994,980	76,699,136
Revenue from grazing operations	50,011	39,265	2,131,095	1,516,010
Revenue from beehive operations	618	301	26,077	11,557
	1,709,742	2,021,683	73,152,152	78,226,703

3.8 Administrative and Selling Expenses

Item	USD		Equivalent in UYU	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Forestry Operator fees	242,046	331,794	10,324,472	12,810,675
Registered Agent fees	14,000	-	606,620	-
Other fees	52,673	55,589	2,266,199	2,159,317
Farm expenses	164,563	119,333	7,058,338	4,628,464
Depreciation	84,276	83,727	3,591,228	3,233,332
Taxes	533	1,306	22,714	50,753
Insurances	40,312	29,987	1,716,824	1,158,026
Export expenses	-	15,110	-	593,275
Miscellaneous	8,033	14,287	333,724	553,567
	606,436	651,133	25,920,119	25,187,409

3.9 Financial Results

Item	USD		Equivalent in UYU	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Interest income	3,494	1,492	151,244	58,559
Bank charges and interest expenses	(1,139)	(6,310)	(48,946)	(246,438)
Interest on loans	(8,035)	(16,929)	(342,741)	(651,377)
Foreign exchange differences	(144,516)	(109,925)	(6,228,147)	(4,208,692)
	(150,196)	(131,672)	(6,468,590)	(5,047,948)

NOTE 4 - BIOLOGICAL ASSETS – PLANTATIONS

Biological assets comprise forest plantations located mainly in the departments of Cerro Largo, Lavalleja, and Treinta y Tres. The main species include *Eucalyptus grandis*, *saligna*, *dunnii*, *globulus*, and *Pinus elliottii*. As of March 31, 2025, the plantations covered 9,086 hectares within an approximate total area of 14,677 hectares (compared to 9,087 hectares planted as of December 31, 2024).

The change in the biological asset for the three-month period ended March 31, 2025, and December 31, 2024, is detailed below:

	USD		Equivalent in UYU	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Opening balance	70,315,399	77,041,968	3,098,518,370	3,006,331,691
Increase due to costs capitalized into biological assets	274,075	1,176,553	11,611,775	47,215,172
Change in the fair value of biological assets	-	(7,903,122)	-	(348,258,954)
Translation adjustments	-	-	(136,407,370)	393,230,461
	70,589,474	70,315,399	2,973,722,775	3,098,518,370

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

The composition of property, plant and equipment is as follows:

In U.S. dollars:

03/31/2025									12/31/2024
Item	Gross Carrying Amount			Depreciations				Net carrying amount	Net carrying amount
	Opening balances	Translation adjustment	Closing balances	Accumulated at the beginning of the period	Depreciation for the period	Translation adjustment	Accumulated at period-end		
Lands	50,085,062	-	50,085,062	-	-	-	-	50,085,062	50,085,062
Improvements	6,792,152	-	6,792,152	(1,704,658)	(59,836)	-	(1,764,494)	5,027,658	5,087,494
Other improvements	977,566	-	977,566	(493,926)	(24,440)	-	(518,366)	459,200	483,640
Total	57,854,780	-	57,854,780	(2,198,584)	(84,276)	-	(2,282,860)	55,571,920	55,656,196

Equivalent in Uruguayan pesos:

03/31/2025									12/31/2024
Item	Gross Carrying Amount			Depreciations				Net carrying amount	Net carrying amount
	Opening balances	Translation adjustment	Closing balances	Accumulated at the beginning of the period	Depreciation for the period	Translation adjustment	Accumulated at closing		
Lands	2,207,048,342	(97,114,935)	2,109,933,407	-				2,109,933,407	2,207,048,342
Improvements	299,302,962	(13,169,983)	286,132,979	(75,117,494)	(2,549,812)	3,334,394	(74,332,912)	211,800,067	224,185,468
Other improvements	43,077,402	(1,895,499)	41,181,903	(21,765,272)	(1,041,416)	969,589	(21,837,099)	19,344,804	21,312,130
Total	2,549,428,706	(112,180,417)	2,437,248,289	(96,882,766)	(3,591,228)	4,303,983	(96,170,011)	2,341,078,278	2,452,545,940

NOTE 6 - ASSETS AND LIABILITIES DENOMINATED IN CURRENCIES OTHER THAN THE FUNCTIONAL CURRENCY

The statement of financial position includes the following balances denominated in currencies other than the functional currency:

	March 31, 2025		December 31, 2024	
	UYU	Equivalent in USD	UYU	Equivalent in USD
Assets				
Other non-financial assets	27,281,022	647,590	20,365,897	462,168
Cash and cash equivalents	141,976	3,370	243,519	5,526
Total assets	27,422,998	650,960	20,609,416	467,694
Liabilities				
Deferred tax	(142,421,205)	(3,380,758)	(142,421,205)	(3,231,998)
Trade payables and other accounts payable	(28,702,088)	(681,323)	(21,540,796)	(488,830)
Total liabilities	(171,123,292)	(4,062,081)	(163,962,001)	(3,720,828)
Net position	(143,700,294)	(3,411,121)	(143,352,585)	(3,253,134)

The U.S. dollar exchange rate was UYU 42.127 as of March 31, 2025, and UYU 44.066, as of December 31, 2024.

NOTE 7 – EQUITY

Book-entry Participation Certificates with a nominal value of USD 70,000,000 were registered in the Securities Market Registry. The nominal value of each Participation Certificate is USD 1,000 (one thousand U.S. dollars).

The subscription of the Participation Certificates was made on a deferred basis, in accordance with the procedures and schedules provided in the Agreement.

NOTE 8- COMMITMENTS AND CONTINGENCIES

As of March 31, 2025, the Trust had commitments arising from grazing contracts on its own land amounting to USD 50,011, covering 12,391 hectares of pastured land.

NOTE 9 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) Trade payables and other accounts payable to related parties are composed as follows:

	USD		Equivalent in UYU	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Trade payables				
Agro Empresa Forestal S.A.	102,267	99,729	4,308,195	4,394,667
	102,267	99,729	4,308,195	4,394,667

b) Transactions with related parties are composed as follows:

	USD		Equivalent in UYU	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Accrued fees				
Agro Empresa Forestal S.A.	242,046	331,794	10,324,472	12,810,675
	242,046	331,794	10,324,472	12,810,675

NOTE 10 - FINANCIAL RISK MANAGEMENT

The main types of risks associated with the Trust's financial instruments and the related management policies are outlined below.

10.1 Credit Risk

Credit Risk is the risk of financial loss that the Trust may face if a debtor or counterparty to a financial instrument fails to meet their contractual obligations.

The Trust has a low level of exposure to this risk due to its limited credit holdings and the restrictions on the financial instruments in which it can invest. Its main assets are measured at fair value, as detailed in Notes 2.9 and 2.11.

10.2 Liquidity risk

Liquidity risk is the risk that the Trust may not be able to meet its financial obligations as they fall due. Its main obligation consists of the settlement of Participation Certificates. As indicated in Note 1, these certificates grant their holders the right to participate in the results.

The Trust's exposure to this risk is not significant, in light of the business plan set forth in the Trust Agreement and the restrictions on the types of assets in which the Trust may invest.

10.3 Market risk

Market risk is the risk that changes in market prices, such as exchange and interest rates, may affect the Trust's income or the value of the financial instruments it holds.

a) Currency Risk

The Trust is exposed to currency risk because of its monetary position in Uruguayan pesos (see Note 6). The table below shows the Trust's sensitivity to a 10% appreciation or depreciation of the Uruguayan peso against the U.S. dollar. The sensitivity analysis includes all outstanding monetary items denominated in foreign currency. If the Uruguayan peso were to appreciate by 10% against the U.S. dollar, comprehensive income

for the period would decrease by USD 379,013, equivalent to UYU 14,370,029. Conversely, a 10% depreciation of the Uruguayan peso would increase comprehensive income by USD 310,102, equivalent to UYU 14.370.029.

b) Interest Rate Risk

The Trust is exposed to low-interest rate risk.

c) Price risk

Price risk refers to the possibility that changes in market prices relevant to the Trust's business activities may affect its income or the value of financial and non-financial instruments held. The main assets exposed to this risk at each reporting date are as follows:

	USD		Equivalent in UYU	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Inventories	532,033	667,603	22,412,944	29,418,588
Property, plant and equipment (land)	50,085,062	50,085,062	2,109,933,407	2,207,048,342
Biological asset	70,589,474	70,315,399	2,973,722,775	3,098,518,370
	121,206,569	121,068,064	5,106,069,126	5,334,985,300

NOTE 11 – SUBSEQUENT EVENTS

After March 31, 2025, no events or circumstances have occurred that would significantly affect the Trust's financial position, operating results, or cash flows.